

By: Birdwell, Nichols

S.B. No. 1263

A BILL TO BE ENTITLED

AN ACT

relating to the Texas emissions reduction plan fund.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 386.051(b), Health and Safety Code, is amended to read as follows:

(b) Under the plan, the commission and the comptroller shall provide grants or other funding for:

(1) the diesel emissions reduction incentive program established under Subchapter C, including for infrastructure projects established under that subchapter;

(2) the motor vehicle purchase or lease incentive program established under Subchapter D;

(3) the air quality research support program established under Chapter 387;

(4) the clean school bus program established under Chapter 390;

(5) the new technology implementation grant program established under Chapter 391;

(6) the regional air monitoring program established under Section 386.252(a);

(7) a health effects study as provided by Section 386.252(a);

(8) air quality planning activities as provided by Section 386.252(d);

- 1 (9) a contract with the Energy Systems Laboratory at
2 the Texas A&M Engineering Experiment Station for computation of
3 creditable statewide emissions reductions as provided by Section
4 [386.252\(a\)](#);
- 5 (10) the Texas clean fleet program established under
6 Chapter [392](#);
- 7 (11) the Texas alternative fueling facilities program
8 established under Chapter [393](#);
- 9 (12) the Texas natural gas vehicle grant program
10 established under Chapter [394](#);
- 11 (13) other programs the commission may develop that
12 lead to reduced emissions of nitrogen oxides, particulate matter,
13 or volatile organic compounds in a nonattainment area or affected
14 county;
- 15 (14) other programs the commission may develop that
16 support congestion mitigation to reduce mobile source ozone
17 precursor emissions;
- 18 (15) the seaport and rail yard areas emissions
19 reduction program established under Subchapter D-1;
- 20 (16) conducting research and other activities
21 associated with making any necessary demonstrations to the United
22 States Environmental Protection Agency to account for the impact of
23 foreign emissions or an exceptional event;
- 24 (17) studies of or pilot programs for incentives for
25 port authorities located in nonattainment areas or affected
26 counties as provided by Section [386.252\(a\)](#); ~~and~~
- 27 (18) the governmental alternative fuel fleet grant

1 program established under Chapter 395; and

2 (19) remittance of funds to the state highway fund for
3 use by the Texas Department of Transportation for congestion
4 mitigation and air quality improvement projects in nonattainment
5 areas.

6 SECTION 2. Section 386.057, Health and Safety Code, is
7 amended by adding Subsection (e) to read as follows:

8 (e) Not later than October 1 of each year, the Texas
9 Department of Transportation shall report to the commission the
10 following information for all congestion mitigation and air quality
11 improvement projects in nonattainment areas that are planned to be
12 funded, or received initial funding during the preceding 10 years,
13 from money received by the department under Section 386.250:

14 (1) projects to mitigate congestion and improve air
15 quality that are currently planned;

16 (2) projects to mitigate congestion and improve air
17 quality that have been completed;

18 (3) estimated emissions reductions for all planned and
19 completed congestion mitigation projects; and

20 (4) estimated cost per ton analysis of reduced
21 emissions of nitrogen oxides, particulate matter, or volatile
22 organic compounds for each congestion mitigation project planned or
23 completed.

24 SECTION 3. Section 386.250, Health and Safety Code, as
25 effective September 1, 2021, is amended by amending Subsection (c)
26 and adding Subsection (d) to read as follows:

27 (c) The commission shall remit 40 percent of the amount

1 deposited to the credit of the fund to the state highway fund for
2 use by the Texas Department of Transportation for projects
3 described by Section 386.051(b)(19).

4 (d) Not later than the 30th day after the last day of each
5 state fiscal biennium, the commission shall transfer the
6 unencumbered balance of the fund remaining on the last day of the
7 state fiscal biennium to the credit of the state highway fund for
8 use by the Texas Department of Transportation for projects
9 described by Section 386.051(b)(19) [~~Texas emissions reduction~~
10 ~~plan account~~].

11 SECTION 4. Section 386.251(c), Health and Safety Code, as
12 effective September 1, 2021, is amended to read as follows:

13 (c) The account consists of its accumulated balance [~~and the~~
14 ~~amount of money transferred to the account under Section~~
15 ~~386.250(c)~~].

16 SECTION 5. Section 501.138, Transportation Code, is amended
17 by amending Subsections (b-1), (b-2), and (b-3) and adding
18 Subsection (b-4) to read as follows:

19 (b-1) Except as provided by Subsection (b-4), fees [~~Fees~~
20 collected under Subsection (b) to be sent to the comptroller shall
21 be deposited to the credit of the Texas [~~Mobility Fund, except that~~
22 ~~\$5 of each fee imposed under Subsection (a)(1) and deposited on or~~
23 ~~after September 1, 2008, and before September 1, 2015, shall be~~
24 ~~deposited to the credit of the Texas]~~ emissions reduction plan
25 fund.

26 (b-2) The comptroller shall establish a record of the amount
27 of the fees deposited to the credit of the Texas emissions reduction

1 plan fund [~~Mobility Fund~~] under Subsection (b-1). On or before the
2 fifth workday of each month, the Texas Department of Transportation
3 shall remit to the comptroller for deposit to the credit of the
4 Texas Mobility Fund [~~emissions reduction plan fund~~] an amount of
5 money equal to the amount of the fees deposited by the comptroller
6 to the credit of the Texas emissions reduction plan fund [~~Mobility~~
7 ~~Fund~~] under Subsection (b-1) in the preceding month. The Texas
8 Department of Transportation shall use for remittance to the
9 comptroller as required by this subsection money in the state
10 highway fund that is not required to be used for a purpose specified
11 by Section 7-a, Article VIII, Texas Constitution, and may not use
12 for that remittance money received by this state under the
13 congestion mitigation and air quality improvement program
14 established under 23 U.S.C. Section 149.

15 (b-3) This subsection and Subsections (b-1) and
16 [~~Subsection~~] (b-2) expire on the last day of the state fiscal
17 biennium during which the Texas Commission on Environmental Quality
18 publishes in the Texas Register the notice required by Section
19 382.037, Health and Safety Code.

20 (b-4) Fees collected under Subsection (b) to be sent to the
21 comptroller shall be deposited to the credit of the Texas Mobility
22 Fund if the fees are collected on or after the last day of the state
23 fiscal biennium during which the Texas Commission on Environmental
24 Quality publishes in the Texas Register the notice required by
25 Section 382.037, Health and Safety Code.

26 SECTION 6. The change in law made by this Act to Section
27 501.138, Transportation Code, applies only to a fee collected on or

1 after the effective date of this Act. A fee collected before the
2 effective date of this Act is governed by the law in effect when the
3 fee was collected, and the former law is continued in effect for
4 that purpose.

5 SECTION 7. This Act takes effect September 1, 2021.